

HOUSE BILL 2879
By Hackworth

AN ACT to amend Tennessee Code Annotated, Title 56 and Title 67, relative to health insurance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-5-314, is amended by adding the following as new subsection (d):

(d) (1) The commissioner shall implement a plan as soon as possible for the equitable apportionment among insurers of applicants for health insurance coverage, as such term is defined in §56-7-2802, who are in good faith entitled to, but who are unable to procure through ordinary methods, such insurance. Such plan shall provide reasonable rules governing the equitable distribution of risks by direct assignment, reinsurance, or otherwise, and assignment of such applicants to insurers, and shall provide a method whereby applicants for insurance, insured persons, and insurers may have a hearing on grievances and the right of appeal to the commissioner.

(2) Notwithstanding §56-5-313(a), every insurer undertaking to transact in this state the business of health insurance coverage, as such term is defined in §56-7-2802, shall participate in the plan. No insurer shall issue a policy of health insurance or undertake to transact such business in this state unless such insurer participates in such plan.

SECTION 2. This act shall take effect July 1, 2006, the public welfare requiring it.